

**TOWN OF AMBER, OKLAHOMA and
AMBER DEVELOPMENT AUTHORITY**

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES**

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**

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**Independent Accountant's Report
on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Amber
Amber, Oklahoma

Trustees of the Amber Development Authority
Amber, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Report on Compiled Financial Statements and Schedules

Management is responsible for the accompanying financial statements and schedules of the Town of Amber and Amber Development Authority, Amber, Oklahoma, which comprise a Summary of Changes in Fund Balances-Modified Cash Basis as of the year ended June 30, 2022, and the related Budgetary Comparison Schedule-General Fund-Modified Cash Basis, Budgetary Comparison Schedule-Law Enforcement Fund-Modified Cash Basis, Amber Development Authority-Statement of Revenues, Expenses and Changes in Fund Balance-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the year then ended in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying financial statements and schedules nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements and schedules.

The financial statements and schedules have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements and schedules prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements and schedules, they might influence the user's conclusions about the Town's and Authority's assets, liabilities, fund balances, revenues, and expenses. Accordingly, these financial statements and schedules are not designed for those who are not informed about such matters.

Report on Applying Agreed-upon Procedures

We have performed the procedures enumerated below which were agreed to by the specified users of the report as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and the Development Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17.105-.107 and §60-180.1-.3. and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Management of the Town of Amber and the Amber Development Authority is responsible for the Town's and the Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Amber and the Amber Development Authority has agreed to and acknowledge that the procedures performed are appropriate to meet the intended purpose of meeting their financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance requirements with specific legal or contractual requirements for the fiscal year ended June 30, 2022. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Procedures and Findings

As to the **Town of Amber** as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Town's trial balances, we prepared a modified cash basis schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

2. **Procedures Performed:** From the Town's trial balances, we prepared a modified cash basis budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: No instances of noncompliance were noted.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: In the General Fund checking account, there was a \$271 difference between the June 30, 2022 bank reconciliation and the general ledger. This was due to an amount plugged in order to reconcile the bank statement to the general ledger.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance were noted.

5. **Procedures Performed:** We compared the Town's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: Oklahoma Statutes, Title 11, Section 26-109 requires at least 12.5% of revenues from sales of cemetery lots and from interments to be segregated in a separate Cemetery Care Fund restricted to purchasing cemetery land or making cemetery capital improvements. The 12.5% of cemetery lot sales and interments collected during the fiscal year was not transferred from the General Fund to the Cemetery Care Fund. The remaining amount to be transferred is \$188. The Town transferred part of this amount in August and the rest in October 2022.

Findings: Town Ordinance No. 2013-03 requires a one cent sales tax restriction as follows: 40% for support of the police department and 60% for the support of the fire department. The restricted sales tax collected for the month of June 2022 was not transferred from the General Fund to the Law Enforcement Fund and the Fire Department Fund. The amount to be transferred is \$633 to the Law Enforcement Fund and \$950 to the Fire Department Fund. The Town transferred these amounts in August 2022.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required reserve balances and debt service requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: The Town had no contractual or debt service requirements. This procedure does not apply.

As to the **Amber Development Authority**, as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenses and changes in fund balances - modified cash basis for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No instances of noncompliance were noted.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance were noted.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required reserve balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: The Authority had no contractual or debt service requirements. This procedure does not apply.

As to the **Town of Amber and Amber Development Authority** grant programs, as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

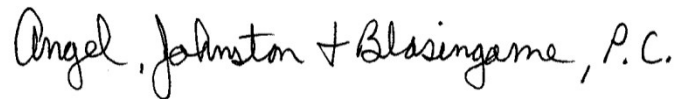
Findings: No instances of noncompliance were noted.

We were engaged by the Town of Amber and the Amber Development Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed in Oklahoma Statutes §11-17.105-.107 and §60-180.1-.3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Town and the Development Authority meeting their financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual

requirements for the fiscal year ended June 30, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town of Amber and the Amber Development Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Angel, Johnston + Blasingame, P.C." The signature is written in a cursive, flowing style.

Angel, Johnston and Blasingame, P.C.
Chickasha, Oklahoma
November 14, 2022

TOWN OF AMBER AND AMBER DEVELOPMENT AUTHORITY
Amber, Oklahoma

SUMMARY OF CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
For The Year Ended June 30, 2022
(Unaudited)

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
TOWN:				
General Fund	\$ 1,546,767	\$ 308,822	\$ 275,975	\$ 1,579,614
Cemetery Fund	3,213	14,309	3,290	14,232
Law Enforcement Fund	325,621	62,541	267,323	120,839
Fire Department Fund	104,929	42,024	35,783	111,170
Community Center Fund	5,301	1,588	1,064	5,825
Streets & Alleys Fund	4,276	4,198	5,428	3,046
Cemetery Care Fund	3,504	235	-	3,739
Cemetery Perpetual Care Fund	-	45,000	-	45,000
Town Subtotal	<u>1,993,611</u>	<u>478,717</u>	<u>588,863</u>	<u>1,883,465</u>
AUTHORITY:				
Amber Development Authority	34,081	2,097	-	36,178
Authority Subtotal	<u>34,081</u>	<u>2,097</u>	<u>-</u>	<u>36,178</u>
Overall Totals	<u>\$ 2,027,692</u>	<u>\$ 480,814</u>	<u>\$ 588,863</u>	<u>\$ 1,919,643</u>

See Independent Accountant's Report on Agreed-Upon Procedures.

TOWN OF AMBER, OKLAHOMA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND-MODIFIED CASH BASIS
For The Year Ended June 30, 2022
(Unaudited)**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Beginning Budgetary Fund Balance:	\$ 1,535,839	\$ 1,535,839	\$ 1,535,839	\$ -
Resources (Inflow):				
Taxes:				
Occupation tax	337	337	375	38
Franchise tax	5,975	5,975	8,408	2,433
Sales tax	76,303	76,303	90,428	14,125
Alcohol beverage tax	4,702	4,702	5,081	379
Tobacco tax	934	934	994	60
Use tax	29,484	29,484	33,034	3,550
Total Taxes	117,735	117,735	138,320	20,585
Other Revenue:				
Grants	-	-	86,917	86,917
Licenses, permits & fees	455	455	475	20
Fines & forfeitures	14,499	14,499	9,570	(4,929)
Interest	9,797	9,797	2,029	(7,768)
Refunds & reimbursements	-	-	3,187	3,187
Donations	-	-	867	867
Miscellaneous	-	-	9,511	9,511
Total Other Revenue	24,751	24,751	112,556	87,805
Other Financing Sources:				
Transfers from other funds	78,566	78,566	57,945	(20,621)
Total Other Financing Sources	78,566	78,566	57,945	(20,621)
Total Resources (Inflows)	221,052	221,052	308,821	87,769
Amounts available for appropriation	1,756,891	1,756,891	1,844,660	87,769
Charges to Appropriations (Outflows):				
Personal services	200,000	275,000	172,991	102,009
Maintenance & operations	400,000	400,000	45,763	354,237
Capital outlay	856,891	856,891	66,610	790,281
Total Other	1,456,891	1,531,891	285,364	1,246,527
Other Financing Uses:				
Transfers to other funds	300,000	225,000	-	225,000
Total Charges to Appropriations (Outflows)	1,756,891	1,756,891	285,364	1,471,527
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 1,559,296	\$ 1,559,296
Current year encumbrances			20,318	
Ending Fund Balance			\$ 1,579,614	

See Independent Accountant's Report on Agreed-Upon Procedures.

TOWN OF AMBER, OKLAHOMA

BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT FUND-MODIFIED CASH BASIS
For The Year Ended June 30, 2022
(Unaudited)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Beginning Budgetary Fund Balance:	\$ 296,178	\$ 296,178	\$ 325,621	\$ 29,443
Resources (Inflow):				
Taxes:				
Sales tax	-	9,745	11,213	1,468
Total Taxes	-	9,745	11,213	1,468
Other Revenue:				
Licenses, permits & fees	-	525	635	110
Fines & forfeitures	-	45,302	43,521	(1,781)
Interest	-	103	178	75
Donations	-	1,000	1,000	-
Miscellaneous	-	-	5,994	5,994
Total Other Revenue	-	46,930	51,328	4,398
Other Financing Sources:				
Transfers from other funds	-	-	-	-
Total Other Financing Sources	-	-	-	-
Total Resources (Inflows)	-	56,675	62,541	5,866
Amounts available for appropriation	296,178	352,853	388,162	35,309
Charges to Appropriations (Outflows):				
Personal services	13,000	13,000	11,089	1,911
Maintenance & operations	158,178	70,299	32,421	37,878
Capital outlay	30,000	174,554	165,868	8,686
Total Other	201,178	257,853	209,378	48,475
Other Financing Uses:				
Transfers to other funds	95,000	95,000	57,945	37,055
Total Charges to Appropriations (Outflows)	296,178	352,853	267,323	85,530
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 120,839	\$ 120,839
Current year encumbrances			-	
Ending Fund Balance			\$ 120,839	

See Independent Accountant's Report on Agreed-Upon Procedures.

AMBER DEVELOPMENT AUTHORITY
Amber, Oklahoma

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS
For The Year Ended June 30, 2022
(Unaudited)

	Amber Development Authority
Operating Revenues:	
Miscellaneous revenue	\$ -
Total Operating Revenue	<u>-</u>
Operating Expenses:	
Maintenance and operations	<u>-</u>
Total Operating Expenses	<u>-</u>
Operating Income (Loss)	<u>-</u>
Non-Operating Revenues (Expenses):	
Royalties	<u>2,097</u>
Total Non-Operating Revenues (Expenses)	<u>2,097</u>
Net Income (Loss) Before Transfers	2,097
Transfers in	-
Transfers out	<u>-</u>
Changes in Fund Balance	2,097
Fund Balance - beginning	<u>34,081</u>
Fund Balance - ending	\$ <u><u>36,178</u></u>

See Independent Accountant's Report on Agreed-Upon Procedures.

TOWN OF AMBER AND AMBER DEVELOPMENT AUTHORITY
Amber, Oklahoma

SCHEDULE OF GRANT ACTIVITY
MODIFIED CASH BASIS
For The Year Ended June 30, 2022
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
TOWN:							
Oklahoma Department of Agriculture Fire Operational Grant - FY22	\$ 4,763	\$ -	\$ -	\$ -	\$ 4,763	\$ 4,763	\$ -
U.S. Department of the Treasury American Rescue Plan Act ALN #21.027	84,234	-	-	-	41,917	-	41,917
Association of South Central Oklahoma Governments Amber - REAP-212207	45,000	-	-	-	45,000	45,000	-
Amber - REAP-222226	45,000	-	-	-	-	-	-
OEC Foundation, Inc. Operation Round Up Grant	4,000	-	-	-	4,000	2,003	1,997
Town Subtotal	<u>182,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,680</u>	<u>51,766</u>	<u>43,914</u>
AUTHORITY:							
No Activity in Current Year	-	-	-	-	-	-	-
Authority Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Overall Totals	<u>\$ 182,997</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,680</u>	<u>\$ 51,766</u>	<u>\$ 43,914</u>

See Independent Accountant's Report on Agreed-Upon Procedures.